



**CITY OF LAUREL, MARYLAND
OFFICE OF THE CITY ADMINISTRATOR**

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Mr. William F. Caton, Acting Secretary
Federal Communications Commission
1919 M. Street, N.W.
Room 222
Washington, D.C. 20554

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**RE: Implementation of Section 302 of the Telecommunications Act of
1996 - Open Video Systems - Reply Comments
CS Docket No. 96-46 "Ex-parte"**

Dear Mr. Caton:

The City of Laurel respectfully submits these reply comments to the Federal Communications Commission ("FCC").

On March 11, 1996, the FCC released a Notice of Proposed Rulemaking (FCC 96-99), requesting comment on how it should implement the regulatory framework for open video systems. In response, the National League of Cities, the National Association of Counties, the U.S. Conference of Mayors, Montgomery County, and several cities (herein "NLC"), filed joint comments containing specific proposals for implementing that framework.

In their comments, the above organizations identified four key principals that must guide the FCC in formulating its rules. First, the FCC's rules regarding the PEG and other Title VI requirements mandated by Congress for open video systems must ensure that open video system operators will meet local community needs and interests. Second, the FCC must adopt non-discrimination provisions that ensure that all programmers will have open and affordable access to open video systems and to prevent the open video systems from becoming a cable system in disguise. Third, the 1996 Telecommunications Act does not permit cable operators to become open video system operators. Fourth, the FCC's rules must acknowledge the property interests that local governments hold in the local public rights-of-way.

The City of Laurel strongly supports the comments from these organizations and urges the Commission to follow these four principles in formulating Open Video System Rules.

The City of Laurel has recently experienced a situation with one apartment complex within the City limits of Laurel. Through one of the tenants, we were apprised that this specific apartment

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complex had opted to allow an un-regulated cable system into their building at a supposedly lower cost than the regulated cable operator charges, giving no choice of cable service to the tenant(s), not to mention the Franchise Fees the City of Laurel will loose. These tenants are now unable to view both the local government channel and PEG channels, since the regulated cable operator was notified to vacate the premise. This particular apartment complex had satellite dishes installed without City permission or applying for proper City permits.


The FCC's statutory mandate in adopting PEG requirements for open video systems is clear. The Telecommunications Act of 1996 requires the Commission to establish PEG obligations for open video systems that are consistent with local needs and interests, and to impose on an open video system operator obligations equivalent to those obligations imposed on cable operators. To fulfill these mandates, the FCC should, require open video system operator's "to match or negotiate" this is, to match each incumbent cable operator's PEG obligations, or to negotiate agreements acceptable to the affected communities.

The record in this proceeding demonstrates that local governments -as franchising authorities and PEG programmers- play a critical role in ensuring that local communications needs and interests are met. Moreover, local governments, as the National Cable Television Association states, "are in the best position to deliver on the Act's intent to accomplish PEG access over open video systems.

By adopting the above proposal, the FCC will ensure the PEG access continues to serve local needs and interests in the City of Laurel, and will satisfy the FCC's statutory mandate to impose equivalent obligations on open video systems and cable operators.

In conclusion, the City of Laurel respectfully requests the Federal Communications Commission to adopt a framework for open video systems consistent with the proposals and principals recommended by NLC in their comments.

Sincerely,



Ernest Zaccanelli
City Administrator

cc: Mr. Larry Walke, Cable Services Bureau
International Transcription Services, Inc.
Cable File